

104TH CONGRESS
1ST SESSION

H. R. 1883

To strengthen parental, local, and State control of education in the United States by eliminating the Department of Education and redefining the Federal role in education.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 1995

Mr. SCARBOROUGH (for himself, Mr. BOEHNER, Mr. CHABOT, Mr. BROWNBACK, Mr. ARMEY, Mr. DELAY, Mr. COX of California, Ms. MOLINARI, Mr. PAXON, Mr. BARR, Mr. BONO, Mr. CHRISTENSEN, Mr. FORBES, Mr. FUNDERBURK, Mr. GRAHAM, Mr. HASTINGS of Washington, Mr. HOSTETTLER, Mr. HUTCHINSON, Mr. ISTOOK, Mr. SAM JOHNSON of Texas, Mr. JONES, Mr. METCALF, Mr. MILLER of Florida, Mr. NETHERCUTT, Mr. RIGGS, Mr. SALMON, Mr. SOUDER, Mr. TALENT, Mr. BACHUS, Mr. BAKER of California, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BASS, Mr. BRYANT of Tennessee, Mr. BURR, Mr. BURTON of Indiana, Mr. CAMP, Mr. CALLAHAN, Mr. CHAMBLISS, Mrs. CHENOWETH, Mr. CANADY of Florida, Mr. CRAPO, Mr. CHRYSLER, Mr. COBURN, Mr. CONDIT, Mr. COOLEY, Mr. CRANE, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. DREIER, Mr. DOOLITTLE, Mr. DORNAN, Mr. EMERSON, Mr. ENSIGN, Mr. FOLEY, Mr. GANSKE, Mr. GOSS, Mr. GUTKNECHT, Mr. HANCOCK, Mr. HASTERT, Mr. HAYWORTH, Mr. HEFLEY, Mr. HEINEMAN, Mr. HERGER, Mr. HILLEARY, Mr. HOKE, Mr. HUNTER, Mr. INGLIS of South Carolina, Mr. KASICH, Mr. KING, Mr. LAHOOD, Mr. LARGENT, Mr. LATHAM, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. LIVINGSTON, Mr. MANZULLO, Mr. MCCOLLUM, Mr. MCINTOSH, Mr. MCCRERY, Mr. MICA, Mrs. MYRICK, Mr. NEUMANN, Mr. NORWOOD, Mr. PARKER, Mr. POMBO, Mr. RADANOVICH, Mr. REGULA, Mr. ROHRABACHER, Mr. SANFORD, Mrs. SEASTRAND, Mr. SHADEGG, Mrs. SMITH of Washington, Mr. SMITH of Michigan, Mr. SOLOMON, Mr. STOCKMAN, Mr. STUMP, Mr. TATE, Mr. TAYLOR of North Carolina, Mr. THORNBERRY, Mr. TIAHRT, Mr. WATTS of Oklahoma, Mr. WELDON of Pennsylvania, Mr. WELDON of Florida, Mr. WHITE, Mr. WHITFIELD, and Mr. WICKER) introduced the following bill; which was referred to the Committee on Economic and Educational Opportunities, and in addition to the Committees on the Budget and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case

for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To strengthen parental, local, and State control of education in the United States by eliminating the Department of Education and redefining the Federal role in education.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Back to Basics Edu-
 5 cation Reform Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Findings.
- Sec. 4. Purposes.

TITLE I—ABOLITION OF DEPARTMENT OF EDUCATION

- Sec. 101. Abolition of Department.
- Sec. 102. Establishment and sunset of Office of Economic Opportunities in the Department of Health and Human Services, and transfer of functions.
- Sec. 103. Principal officers.
- Sec. 104. Continuation of service of Department officer.
- Sec. 105. Reorganization.
- Sec. 106. Plan for winding up affairs.
- Sec. 107. GAO report.
- Sec. 108. Conforming amendments.
- Sec. 109. Effective date.
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TITLE II—EDUCATION PROGRAMS

Subtitle A—Elementary and Secondary Education

CHAPTER 1—ELEMENTARY AND SECONDARY EDUCATION BLOCK GRANT

- Sec. 201. Goals of elementary and secondary education block grant program.
- Sec. 202. Program authorized.
- Sec. 203. State eligibility.
- Sec. 204. General State requirements.
- Sec. 205. Amount of State allotment.
- Sec. 206. Local fiscal accountability.
- Sec. 207. Participation of children enrolled in private schools.
- Sec. 208. Definitions.
- Sec. 209. Authorization of appropriations.

CHAPTER 2—OTHER ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

- Sec. 210. Amendments and repeals of certain education provisions.

Subtitle B—Conforming Amendments to the Individuals with Disabilities Education Act

- Sec. 211. Amendments to provisions referencing secretary of education and department of education.
- Sec. 212. Amendments to definitions.
- Sec. 213. Transfer of administering authority to Office of Economic Opportunities.
- Sec. 214. Outreach services for certain institutions of higher education.

Subtitle C—Higher Education Programs

CHAPTER 1—ELIMINATION AND REDUCTION OF PROGRAMS

- Sec. 221. Repeal of higher education laws.
- Sec. 222. Amendment to the Federal Credit Reform Act.
- Sec. 223. Sale of FDSL loan portfolios.
- Sec. 224. Student loan program; statement of policy.
- Sec. 225. Elimination of in-school interest subsidies.

CHAPTER 2—HIGHER EDUCATION BLOCK GRANT

- Sec. 231. Purpose.
- Sec. 232. Distribution of funds.
- Sec. 233. State assurances.
- Sec. 234. Use of funds.
- Sec. 235. Public disclosure.
- Sec. 236. Authorization of appropriations.
- Sec. 237. Definitions.

Subtitle D—Miscellaneous Provisions

- Sec. 241. Construction.
- Sec. 242. Regulations.
- Sec. 243. Consolidated application.
- Sec. 244. Appropriations.
- Sec. 245. Federal civil rights.

TITLE III—GENERAL PROVISIONS

- Sec. 301. References.
- Sec. 302. Exercise of authorities.
- Sec. 303. Savings provisions.
- Sec. 304. Transfer of assets.

- Sec. 305. Delegation and assignment.
- Sec. 306. Authority of office of management and budget with respect to functions transferred.
- Sec. 307. Proposed changes in law.
- Sec. 308. Definition of transfer.
- Sec. 309. Definitions.

TITLE IV—STATEMENTS OF POLICY

- Sec. 401. Statement of policy regarding Federal education funding.
- Sec. 402. Statement of policy regarding job training programs.
- Sec. 403. Statement of policy regarding Indian education.

1 **SEC. 3. FINDINGS.**

2 The Congress finds the following:

3 (1) Principles of federalism embodied in the
 4 Constitution of the United States entrust authority
 5 over issues of educational policy to the States and
 6 the people and a Federal Department of Education
 7 is inconsistent with such principles.

8 (2) Tradition and experience dictate that the
 9 governance and management of schools in the Unit-
 10 ed States are best performed by parents, teachers
 11 and communities.

12 (3) The intrusion by the Department of Edu-
 13 cation into education policy has not benefited the
 14 quality of education in this nation.

15 (4) The Department of Education has weak-
 16 ened the ability of parents to make essential deci-
 17 sions about their children's education and has un-
 18 dermined the capacity of communities to govern
 19 their schools.

1 (5) In the 15 years of its existence, the Depart-
2 ment of Education has grown from 130 programs
3 and a budget of \$14 billion to over 240 separately
4 authorized programs which cost almost \$32 billion
5 annually. Meanwhile, education performance has
6 stagnated or deteriorated.

7 (6) Since 1980, the year the Federal role in
8 education was elevated to department status, the
9 graduation rate has dropped 1.3 percent. Only 71.2
10 percent of students who enroll in the ninth grade
11 now graduate from high school.

12 (7) The Department of Education has fostered
13 over-regulation, standardization, bureaucratization,
14 and litigation in United States education.

15 (8) The Department of Education expends
16 large amounts of money on its own maintenance and
17 overhead. As an organization, it is inefficient, ill-
18 managed, and wasteful.

19 (9) Recent tests reflect poor results in mathe-
20 matics and reading for American students compared
21 with students from other nations.

22 (10) Only through initiatives led by parents and
23 local communities with the power to act can the
24 United States elevate educational performance to-
25 ward an acceptable level.

1 (11) The Department of Education has been
2 hostile to many promising reform ideas.

3 **SEC. 4. PURPOSES.**

4 The purposes of this Act are—

5 (1) to improve the quality of elementary and
6 secondary and higher education programs in the Na-
7 tion;

8 (2) to return the responsibility and authority
9 for education to parents, teachers, communities, stu-
10 dents, and States, and provide them greater control
11 over education spending;

12 (3) to ensure that the Federal Government does
13 not overregulate and interfere in the decisionmaking
14 of parents, local communities, teachers, and students
15 regarding education; and

16 (4) to ensure that Americans are able to com-
17 pete in the global economy of the 21st century.

18 **TITLE I—ABOLITION OF**
19 **DEPARTMENT OF EDUCATION**

20 **SEC. 101. ABOLITION OF DEPARTMENT.**

21 The Department of Education is abolished.

1 **SEC. 102. ESTABLISHMENT AND SUNSET OF OFFICE OF**
2 **ECONOMIC OPPORTUNITIES IN THE DEPART-**
3 **MENT OF HEALTH AND HUMAN SERVICES,**
4 **AND TRANSFER OF FUNCTIONS.**

5 (a) ESTABLISHMENT OF OFFICE.—There is estab-
6 lished in the Department of Health and Human Services
7 the Office of Economic Opportunities.

8 (b) DIRECTOR.—

9 (1) IN GENERAL.—There shall be at the head
10 of the Office a Director for Economic Opportunities,
11 who shall be appointed by the President and con-
12 firmed with the advice and consent of the Senate.
13 The Office shall be administered under the super-
14 vision and direction of the Assistant Secretary for
15 the Administration for Families and Children. The
16 Director for Economic Opportunities shall receive
17 compensation at the rate prescribed for level V of
18 the Executive Schedule under section 5315 of title
19 5, United States Code.

20 (2) INITIAL APPOINTMENT OF ADMINIS-
21 TRATOR.—Notwithstanding any other provision of
22 this Act or any other law, the President may, at any
23 time after the date of the enactment of this Act, ap-
24 point an individual to serve as Director of Economic
25 Opportunities, as such position is established under
26 paragraph (1). An appointment under this para-

1 graph may not be construed to affect the position of
2 Secretary of Education or the authority of the Sec-
3 retary before the effective date specified in section
4 109(a).

5 (c) DUTIES.—The Director shall be responsible for—

6 (1) the administration of all functions of the
7 Office pursuant to section 102 and other provisions
8 of law;

9 (2) the administration and wind-up of any out-
10 standing obligations of the Federal Government
11 under any programs terminated or repealed by this
12 Act; and

13 (3) taking such other actions as may be nec-
14 essary to wind up any outstanding affairs of the De-
15 partment of Education and the Office.

16 (d) TRANSFER OF FUNCTIONS.—Except as otherwise
17 provided in this Act, the Director shall perform all func-
18 tions that, immediately before the effective date of this
19 section under section 109(a), were functions of the De-
20 partment of Education (or any office of the Department)
21 or were performed by the Secretary of Education or any
22 other officer or employee of the Department in the capac-
23 ity as such officer or employee.

24 (e) ABOLITION OF OFFICE.—The Office and all of
25 its functions are abolished effective upon the expiration

1 of the authorization for the programs under its jurisdic-
2 tion.

3 **SEC. 103. PRINCIPAL OFFICERS.**

4 (a) DIRECTORS.—There shall be in the Office—

5 (1) an Assistant Director of Childhood School-
6 ing; and

7 (2) an Assistant Director of Advanced School-
8 ing.

9 (b) APPOINTMENT.—Each of the Assistant Directors
10 in the Office of Economic Opportunities shall be appointed
11 by the Secretary of Health and Human Services.

12 **SEC. 104. CONTINUATION OF SERVICE OF DEPARTMENT OF-**
13 **FICER.**

14 (a) CONTINUATION OF SERVICE OF SECRETARY.—
15 The individual serving as the Secretary of Education on
16 the effective date of this title may serve as Director until
17 the date an individual is appointed under this title to the
18 position of Director, or until the end of the 120-day period
19 provided for in section 3348 of title 5, United States Code
20 (relating to limitations on the period of time a vacancy
21 may be filled temporarily), whichever is earlier.

22 (b) COMPENSATION FOR CONTINUED SERVICE.—Any
23 individual who acts as the Director under subsection (a)
24 after the effective date of this title and before the first
25 appointment of a person to such position after such date

1 shall be compensated pursuant to section 102(b)(1) for so
2 serving or acting.

3 **SEC. 105. REORGANIZATION.**

4 The Secretary of Health and Human Services may
5 allocate or reallocate any function of the Office pursuant
6 to this Act among the officers of the Office, and may, in
7 accordance with the transfer of functions by this Act, con-
8 solidate, alter, or discontinue in the Office any organiza-
9 tional entities that were entities of the Department of
10 Education, as the Secretary of Health and Human Serv-
11 ices considers necessary or appropriate. Notwithstanding
12 any other provision of law, the Secretary of Health and
13 Human Services may not transfer any function or person-
14 nel of the Office to any agency outside of the Office.

15 **SEC. 106. PLAN FOR WINDING UP AFFAIRS.**

16 Not later than 180 days after the date of the enact-
17 ment of this Act, the President shall submit to the Con-
18 gress a plan for winding up the affairs of the Department
19 of Education in accordance with this Act.

20 **SEC. 107. GAO REPORT.**

21 Not later than 180 days after the date of enactment
22 of this Act, the Comptroller General of the United States
23 shall submit to the Congress a report which shall include
24 recommendations for the most efficient means of achiev-
25 ing, in accordance with this Act—

1 (1) the complete abolition of the Department of
2 Education; and

3 (2) the termination or transfer or other con-
4 tinuation of functions of the Department of Edu-
5 cation.

6 **SEC. 108. CONFORMING AMENDMENTS.**

7 (a) PRESIDENTIAL SUCCESSION.—Section 19(d)(1)
8 of title 3, United States Code, is amended by striking
9 “Secretary of Education,”.

10 (b) EXECUTIVE DEPARTMENTS.—Section 101 of title
11 5, United States Code, is amended by striking the follow-
12 ing item:

13 “The Department of Education.”.

14 (c) SECRETARY’S COMPENSATION.—Section 5312 of
15 title 5, United States Code, is amended by striking the
16 following item:

17 “Secretary of Education.”.

18 (d) COMPENSATION FOR POSITIONS AT LEVEL II.—
19 Section 5313 of title 5, United States Code, is amended
20 by striking the following item:

21 “Deputy Secretary of Education.”.

22 (e) COMPENSATION FOR POSITIONS AT LEVEL III.—
23 Section 5314 of title 5, United States Code, is amended
24 by striking the following item:

25 “Under Secretary of Education.”;

1 (f) COMPENSATION FOR POSITIONS AT LEVEL IV.—

2 Section 5315 of title 5, United States Code, is amended—

3 (1) by striking the following items:

4 “Assistant Secretaries of Education (10).

5 “General Counsel, Department of Education.

6 “Inspector General, Department of Edu-
7 cation.”;

8 (2) by striking the following item:

9 “Chief Financial Officer, Department of Edu-
10 cation.”; and

11 (3) by striking the following item:

12 “Liaison for Community and Junior Colleges,
13 Department of Education.”.

14 (g) COMPENSATION FOR POSITIONS AT LEVEL V.—

15 Section 5316 of title 5, United States Code, is amended

16 by striking the following item:

17 “Additional officers, Department of Education
18 (4).”.

19 (h) INSPECTOR GENERAL ACT OF 1978.—The In-

20 spector General Act of 1978 (5 U.S.C. App.) is

21 amended—

22 (1) in section 9(a)(1), by striking subparagraph

23 (D);

24 (2) in section 11(1), by striking “Education,”;

25 and

1 (3) in section 11(2), by striking “Education,”.

2 **SEC. 109. EFFECTIVE DATE.**

3 Except as otherwise provided, this title shall take ef-
4 fect on the date that is one year after the date of enact-
5 ment of this Act.

6 **SEC. 110. LIMITATION ON EXPENDITURES.**

7 The amount expended by the United States each fis-
8 cal year for the administration of a function transferred
9 by this Act shall not exceed 70 percent of the total amount
10 expended for the administration of that function during
11 fiscal year 1995.

12 **TITLE II—EDUCATION**
13 **PROGRAMS**

14 **Subtitle A—Elementary and**
15 **Secondary Education**

16 **CHAPTER 1—ELEMENTARY AND**
17 **SECONDARY EDUCATION BLOCK GRANT**

18 **SEC. 201. GOALS OF ELEMENTARY AND SECONDARY EDU-**
19 **CATION BLOCK GRANT PROGRAM.**

20 The Director of the Office of Economic Opportunities
21 under the Administration for Children and Families in the
22 Department of Health and Human Services is authorized
23 to provide the Governor of each State that complies with
24 the requirements of section 203 a grant in an amount de-
25 termined under section 205.

1 **SEC. 202. PROGRAM AUTHORIZED.**

2 Each State shall, subject to the requirements of this
3 Act and appropriations Acts, receive a grant under this
4 subtitle in each fiscal year to carry out the purposes of
5 this subtitle.

6 **SEC. 203. STATE ELIGIBILITY.**

7 (a) IN GENERAL.—To be eligible to receive a grant
8 under this subtitle, a State shall submit an application to
9 the Director of Economic Opportunities which contains
10 the assurances required by this title. Such application
11 must be submitted at such time, in such form and manner
12 as the Director may reasonably require.

13 (b) ASSURANCES.—Such application shall include the
14 following assurances:

15 (1) IMPROVE EDUCATION.—The Governor shall
16 use funds received to improve education.

17 (2) DISTRIBUTION.—The Governor shall estab-
18 lish a procedure to distribute funds to local edu-
19 cational entities or to provide services to children at-
20 tending local educational entities.

21 (3) ASSURANCES FROM LOCAL EDUCATIONAL
22 ENTITIES.—The Governor shall require a local edu-
23 cational entity that seeks funds under this title to
24 provide assurances that—

25 (A) funds will be used to improve edu-
26 cation;

1 (B) parents, members of the community,
2 and community leaders will be involved in deci-
3 sionmaking at the local level; and

4 (C) such entity that receives funds under
5 this title will comply with Federal civil rights
6 laws.

7 **SEC. 204. GENERAL STATE REQUIREMENTS.**

8 (a) FUNDS FOR LOCAL USE.—

9 (1) IN GENERAL.—Not less than 98 percent of
10 the amount of funds received by a State under this
11 title shall be made available to local educational enti-
12 ties.

13 (2) LOCAL DISCRETION.—A local educational
14 entity that receives funds from a State will have the
15 discretion to spend funds received from the State to
16 develop programs that improve education.

17 (b) ADMINISTRATIVE COSTS.—Not more than 2 per-
18 cent of funds received under this title may be used by a
19 State or a local educational entity for administrative pur-
20 poses.

21 **SEC. 205. AMOUNT OF STATE ALLOTMENT.**

22 (a) IN GENERAL.—Except as provided in subsections
23 (b) and (c), there shall be allotted to each State, which
24 for purposes of this section shall not include the terri-
25 tories, an amount which bears the same ratio to the

1 amount of funds appropriated for this title in any fiscal
2 year as the population of children, aged 5 through 17
3 years of age, of such State bears to the population of such
4 children of all the States.

5 (b) STATE MINIMUM.—Of the total amount appro-
6 priated to carry out this subtitle in any fiscal year each
7 State shall receive not less than one quarter of one percent
8 of such amounts.

9 (c) SET-ASIDE FOR TERRITORIES.—Of the amount
10 allotted under subsection (a), the Director shall allot not
11 more than one quarter of one percent among Puerto Rico,
12 the Commonwealth of the Northern Mariana Islands,
13 American Samoa, Guam, and the Virgin Islands.

14 **SEC. 206. LOCAL FISCAL ACCOUNTABILITY.**

15 A local educational entity that receives funds from
16 a State under this subtitle in any fiscal year shall be re-
17 quired to make reasonably available—

18 (1) a proposed budget regarding how such
19 funds shall be used;

20 (2) an accounting of the actual use of such
21 funds at the end of such entity's fiscal year.

22 **SEC. 207. PARTICIPATION OF CHILDREN ENROLLED IN PRI-**
23 **VATE SCHOOLS.**

24 (a) SECULAR, NEUTRAL, NONIDEOLOGICAL.—Any
25 educational services or other benefits, including materials

1 and equipment, provided to children enrolled in private
2 schools shall be secular, neutral, and nonideological.

3 (b) BYPASS.—

4 (1) IN GENERAL.—If under law a State is pro-
5 hibited from providing for the participation under
6 this chapter of eligible children enrolled in private el-
7 elementary and secondary schools, the Office of Eco-
8 nomic Opportunities, at the request of the Governor,
9 shall arrange for services for such children to the ex-
10 tent consistent with the number of eligible children
11 identified under section 205 in a local educational
12 agency who are enrolled in private elementary and
13 secondary schools.

14 (2) EQUITABLE SERVICES.—Services provided
15 under this section shall be equitable in comparison
16 to services and other benefits provided for public
17 school children participating in programs under this
18 chapter.

19 (3) REDUCTION.—The amount of funds appro-
20 priated to the State pursuant to section 205 shall be
21 reduced by the amount necessary to carry out this
22 section.

23 **SEC. 208. DEFINITIONS.**

24 Except as otherwise provided, for the purposes of this
25 subtitle, the following terms have the following meanings:

1 (1) DIRECTOR.—The term “Director” means
2 the Director of Economic Opportunities under the
3 Administration for Children and Families in the De-
4 partment of Health and Human Services.

5 (2) LOCAL EDUCATIONAL ENTITY.—The term
6 “local educational entity” means a local educational
7 agency or a public or private elementary or second-
8 ary school.

9 (3) STATE.—The term “State” means any of
10 the several States, the District of Columbia, the
11 Commonwealth of Puerto Rico, the Virgin Islands,
12 American Samoa, Guam, and the Commonwealth of
13 the Northern Mariana Islands.

14 **SEC. 209. AUTHORIZATION OF APPROPRIATIONS.**

15 There are authorized to be appropriated
16 \$9,000,000,000 for each of the fiscal years 1998 through
17 2000 to carry out the programs authorized under this sub-
18 title.

19 **CHAPTER 2—OTHER ELEMENTARY AND**
20 **SECONDARY EDUCATION PROGRAMS**

21 **SEC. 210. AMENDMENTS AND REPEALS OF CERTAIN EDU-**
22 **CATION PROVISIONS.**

23 (a) ELEMENTARY AND SECONDARY EDUCATION ACT
24 OF 1965.—

1 (1) IN GENERAL.—Titles I, II, III, IV, V, VI,
2 VII, X, XI, XII, XIII, XIV, and parts B and C of
3 title IX of the Elementary and Secondary Education
4 Act of 1965 are repealed.

5 (2) IMPACT AID.—(A) Section 8003 of the Ele-
6 mentary and Secondary Education Act of 1965 (20
7 U.S.C. 7703) is amended by striking subsection (e)
8 of such section.

9 (B) Except as provided under subparagraph
10 (A), the programs provided under title VIII of the
11 Elementary and Secondary Education Act of 1965
12 shall be administered by the Department of Defense
13 through the Assistant Secretary for Force Manage-
14 ment Policy.

15 (3) INDIAN EDUCATION.—Part A of title IX of
16 the Elementary and Secondary Education Act of
17 1965 shall be administered by the Department of
18 the Interior through the Assistant Secretary for In-
19 dian Affairs.

20 (b) GOALS 2000: EDUCATE AMERICA ACT.—Goals
21 2000: Educate America Act is repealed.

22 (c) SCHOOL-TO-WORK OPPORTUNITIES ACT.—The
23 School-to-Work Opportunities Act is repealed.

24 (d) GENERAL EDUCATION PROVISIONS ACT.—Parts
25 D and F, sections 422, 424, 425, 427, 428, 429, 433,

1 439, and 443, and paragraph (3) of section 431(a) of the
2 General Education Provisions Act are repealed.

3 (e) NATIONAL EDUCATION STATISTICS ACT OF
4 1994.—The National Education Statistics Act of 1994 is
5 repealed.

6 (f) EFFECTIVE DATE.—The repeals and transfers
7 made by subsections (a), (b), (c), (d), and (e) shall take
8 effect on the date that is one year after the date of enact-
9 ment of this Act.

10 **Subtitle B—Conforming Amend-**
11 **ments to the Individuals with**
12 **Disabilities Education Act**

13 **SEC. 211. AMENDMENTS TO PROVISIONS REFERENCING**
14 **SECRETARY OF EDUCATION AND DEPART-**
15 **MENT OF EDUCATION.**

16 (a) TRANSFER OF AUTHORITY FROM SECRETARY OF
17 EDUCATION TO SECRETARY OF HEALTH AND HUMAN
18 SERVICES.—The Individuals with Disabilities Education
19 Act (20 U.S.C. 1400 et seq.) is amended in sections
20 602(a)(14), 611(f), and 684(b)(5) by striking “Secretary
21 of Education” each place such term appears and inserting
22 “Secretary of Health and Human Services”.

23 (b) TRANSFER OF AUTHORITY FROM DEPARTMENT
24 OF EDUCATION TO DEPARTMENT OF HEALTH AND
25 HUMAN SERVICES.—The Individuals with Disabilities

1 Education Act (20 U.S.C. 1400 et seq.) is amended in
2 sections 610 and 621(a)(3) by striking “Department of
3 Education” each place such term appears and inserting
4 “Department of Health and Human Services”.

5 **SEC. 212. AMENDMENTS TO DEFINITIONS.**

6 (a) DEFINITION OF EXCESS COSTS.—Subparagraph
7 (A) of section 602(a)(21) of the Individuals with Disabil-
8 ities Education Act (20 U.S.C. 1401(a)(21)(A)) is amend-
9 ed to read as follows:

10 “(A) amounts received—
11 “(i) under this part, or
12 “(ii) under subtitle A of title II of the
13 Back to Basics Education Act, and”.

14 (b) DEFINITION OF NATIVE LANGUAGE.—Paragraph
15 (22) of section 602(a) of the Individuals with Disabilities
16 Education Act (20 U.S.C. 1401(a)(22)) is amended to
17 read as follows:

18 “(22) The term ‘native language’, when used
19 with reference to an individual of limited-English
20 proficiency, means the language normally used by
21 the individual, or in the case of an individual aged
22 3 through 21, the language normally used by the
23 parents of the individual.”.

1 **SEC. 213. TRANSFER OF ADMINISTERING AUTHORITY TO**
2 **OFFICE OF ECONOMIC OPPORTUNITIES.**

3 The Individuals with Disabilities Education Act (20
4 U.S.C. 1400 et seq.) is amended—

5 (1) by striking section 603 and inserting the
6 following:

7 “OFFICE OF ECONOMIC OPPORTUNITIES

8 “SEC. 603. The Secretary of Health and Human
9 Services, acting through the Director for Economic Oppor-
10 tunities, shall administer and carry out this Act. The Of-
11 fice of Economic Opportunities shall be the principal agen-
12 cy in the Department of Health and Human Services for
13 administering and carrying out programs and activities
14 concerning the education and training of individuals with
15 disabilities.”;

16 (2) in section 621(f)(1), by striking “Office of
17 Special Education Programs” and inserting “Office
18 of Economic Opportunities”; and

19 (3) in section 685(b)(1), by striking “Office of
20 Special Education Programs;” and inserting “Office
21 of Economic Opportunities;”.

22 **SEC. 214. OUTREACH SERVICES FOR CERTAIN INSTITU-**
23 **TIONS OF HIGHER EDUCATION.**

24 Subclause (II) of section 610(j)(2)(C)(ii) of the Indi-
25 viduals with Disabilities Education Act (20 U.S.C.
26 1409(j)(2)(C)(ii)(II)) is amended to read as follows:

1 “(II) institutions of higher education which
2 have an enrollment which includes a substantial
3 percentage of needy students (as determined by
4 the Director) and the average educational and
5 general expenditures of which are low, per full-
6 time equivalent undergraduate student, in com-
7 parison with the average educational and gen-
8 eral expenditures per full-time equivalent under-
9 graduate student of institutions that offer simi-
10 lar instruction;”.

11 **Subtitle C—Higher Education**
12 **Programs**

13 **CHAPTER 1—ELIMINATION AND**
14 **REDUCTION OF PROGRAMS**

15 **SEC. 221. REPEAL OF HIGHER EDUCATION LAWS.**

16 (a) IN GENERAL.—Except as provided in subsection
17 (b) and (c), the Higher Education Act of 1965 (20 U.S.C.
18 1001) is repealed effective one year after the date of the
19 enactment of this Act.

20 (b) EXCEPTIONS.—Subsection (a) shall not apply to
21 the following:

22 (1) The first section, containing the short title
23 of such Act.

24 (2) Subpart 1 of part A of title IV, relating to
25 Pell Grants.

1 (3) Part B of such title, relating to the Federal
2 Family Education Loan Program.

3 (4) Part E of such title, relating to Perkins
4 Loans.

5 (5) Parts F, G, and H of such title, relating to
6 needs analysis, general provisions, and the program
7 integrity triad.

8 (6) Section 1201, relating to definitions.

9 (c) CONTINUING AUTHORITY TO COLLECT LOANS.—
10 Subsection (a) shall not affect the authority of the United
11 States to collect any loan made under any provision re-
12 pealed by such subsection.

13 (d) PERKINS LOANS.—Section 461(b) of the Higher
14 Education Act of 1965 is amended to read as follows:

15 “(b) CONTRIBUTIONS DISCONTINUED.—No funds
16 are authorized to be appropriated for fiscal year 1997 or
17 any succeeding year for the purpose of making contribu-
18 tions to student loan funds established under this part.”.

19 (e) LIMITATION ON FUNDS FOR HOWARD UNIVER-
20 SITY.—Section 8 of the Act of March 2, 1867 is
21 amended—

22 (1) by inserting “(a)” after “SEC. 8.”; and

23 (2) by adding at the end the following new sub-
24 section:

1 “(b) Notwithstanding subsection (a) and any provi-
2 sion of the Howard University Endowment Act, the total
3 amount that is authorized to be appropriated pursuant to
4 this section and such Endowment Act shall not exceed the
5 total amount appropriated pursuant to this section and
6 such Endowment Act for fiscal year 1995, and of such
7 total amount—

8 “(1) not less than 30 percent of the amount ap-
9 propriated for fiscal year 1998 shall be appropriated
10 for purposes of such Endowment Act;

11 “(2) not less than 60 percent of the amount ap-
12 propriated for fiscal year 1999 shall be appropriated
13 for purposes of such Endowment Act; and

14 “(3) not less than 100 percent of the amount
15 appropriated for fiscal year 2000 shall be appro-
16 priated for purposes of such Endowment Act.

17 Notwithstanding subsection (a) and any provision of the
18 Howard University Endowment Act, no funds are author-
19 ized to be appropriated pursuant to this section or such
20 Endowment Act for fiscal year 2001 or any succeeding
21 fiscal year.”.

22 **SEC. 222. AMENDMENT TO THE FEDERAL CREDIT REFORM**
23 **ACT.**

24 (a) AMENDMENT.—Section 502(5)(B) of the Con-
25 gressional Budget Act is amended to read as follows:

1 “(B) The cost of a direct loan shall be the
2 net present value, at the time when the direct
3 loan is disbursed, of the following cash flows for
4 the estimated life of the loan—

5 “(i) loan disbursements;

6 “(ii) repayments of principal;

7 “(iii) payments of interest and other
8 payments by or to the Government over
9 the life of the loan after adjusting for esti-
10 mated defaults, prepayments, fees, pen-
11 alties and other recoveries; and

12 “(iv) in the case of a direct loan made
13 pursuant to a program for which the Office
14 of Management and Budget estimates that
15 for the coming fiscal year (or for any prior
16 fiscal year) loan commitments will equal or
17 exceed \$5,000,000,000, direct expenses, in-
18 cluding but not limited to the following: ex-
19 penses arising from activities related to
20 credit extension; loan origination; loan
21 servicing; technical assistance; training;
22 program promotion; payments to contrac-
23 tors, other government entities, and pro-
24 gram participants; collection of delinquent

1 loans; and write-off and close-out of
2 loans.”.

3 (b) EFFECTIVE DATE.—The amendment made by
4 subsection (a) shall apply to all fiscal years beginning on
5 or after October 1, 1995, and to statutory changes made
6 on or after the date of enactment of this Act.

7 **SEC. 223. SALE OF FDSL LOAN PORTFOLIOS.**

8 The Higher Education Act of 1965 Act (20 U.S.C.
9 1087h) is amended by inserting after section 458 the fol-
10 lowing new section:

11 **“SEC. 459. SALE OF FEDERAL DIRECT STUDENT LOAN**
12 **PORTFOLIOS.**

13 “(a) AUCTION SALES OF LOAN PORTFOLIOS.—The
14 Secretary shall conduct auctions to sell the outstanding
15 portfolio of loans made pursuant to this part. Such auc-
16 tions shall consist of sales of portfolios representative of
17 the overall characteristics of the direct loans held by the
18 Secretary. Auctions shall be held for portfolios of not less
19 than \$40,000,000 of loans per sale. The first sale of loans
20 shall take place not later than 120 days after the date
21 of enactment of this section, and shall not include Federal
22 guarantees or reinsurance against the contingency of bor-
23 rower default, death, or disability.

24 “(b) LOAN TERMS SUBJECT TO PROMISSORY
25 NOTE.—Such loans shall be subject to the terms and con-

1 ditions as specified in the borrower promissory note, and
2 shall not be subject to further Federal regulations pursu-
3 ant to this Act.

4 “(c) DISPOSITION OF PROCEEDS.—All proceeds re-
5 ceived as a result of the auctions conducted pursuant to
6 this part shall be returned to the United States Depart-
7 ment of the Treasury after deduction of expenses incurred
8 by the Department of Education in connection with the
9 auctions required pursuant to this section.”.

10 **SEC. 224. STUDENT LOAN PROGRAM; STATEMENT OF**
11 **POLICY.**

12 The Congress finds that the Federal student loan
13 programs should be reviewed to evaluate whether reforms
14 need to be made to the programs based on the principles
15 of risk sharing, market-based orientation, privatization,
16 and deregulation.

17 **SEC. 225. ELIMINATION OF IN-SCHOOL INTEREST SUB-**
18 **SIDIES.**

19 (a) GUARANTEED LOANS.—Section 428(a) of the
20 Higher Education Act of 1965 (20 U.S.C. 1078(a)) is
21 amended by adding at the end the following new para-
22 graph:

23 “(8) TERMINATION OF INTEREST SUBSIDIES.—
24 Notwithstanding paragraph (3), no portion of the in-
25 terest shall be paid by the Secretary under this sub-

1 section on any loan made on or after October 1,
 2 1995. Interest on the unpaid principal amount of
 3 any such loan—

4 “(A) which accrues prior to the beginning
 5 of the repayment period of the loan, or

6 “(B) which accrues during a period in
 7 which principal need not be paid (whether or
 8 not such principal is in fact paid) by reason of
 9 a provision described in subsection (b)(1)(M) of
 10 this section or in section 427(a)(2)(C),

11 shall, at the option of the borrower—

12 “(i) be paid monthly or quarterly, or

13 “(ii) be added by the lender to the prin-
 14 cipal amount of the loan at the commencement
 15 of the repayment period.”.

16 **CHAPTER 2—HIGHER EDUCATION BLOCK** 17 **GRANT**

18 **SEC. 231. PURPOSE.**

19 It is the purpose of this part to authorize block grants
 20 to States to assist institutions of higher education in order
 21 to improve access to higher education and to improve the
 22 quality of educational programs.

23 **SEC. 232. DISTRIBUTION OF FUNDS.**

24 (a) IN GENERAL.—From the funds appropriated
 25 under section 236, the Director shall allocate to the Gov-

1 error of each State that has submitted the assurances re-
2 quired by section 233 an amount that bears the same ratio
3 to the amount so appropriated as the number of students
4 enrolled in institutions of higher education in such State
5 bears to the total number of students so enrolled in all
6 the States.

7 (b) EXCEPTION FOR SMALL STATES.—Notwithstand-
8 ing subsection (a), no State shall be allocated less than
9 0.25 percent of the funds appropriated under section 236.

10 (c) DETERMINATION OF NUMBER OF STUDENTS.—
11 The Director shall determine the number of students in
12 each State on the basis of a certification from the Gov-
13 ernor of each State.

14 **SEC. 233. STATE ASSURANCES.**

15 Any State seeking to obtain an allocation under sec-
16 tion 232 shall submit to the Director an application that
17 contains the following assurances:

18 (1) The Governor of such State will establish a
19 procedure for the distribution of funds to participat-
20 ing institutions of higher education.

21 (2) The Governor will use the funds obtained
22 under this part only for the improvement of higher
23 education.

24 (3) The Governor will require each participating
25 institution to submit assurances to the State that

1 they will use funds obtained under this part only for
2 the improvement of higher education.

3 (4) The Governor will require each participating
4 institution to submit assurances that the institution
5 will comply with Federal civil rights laws.

6 **SEC. 234. USE OF FUNDS.**

7 (a) IN GENERAL.—Any funds obtained by a partici-
8 pating institution under this part may, subject to the pro-
9 visions of this part, be used for any existing or new pro-
10 gram.

11 (b) LIMITATION ON ADMINISTRATIVE COSTS.—Not
12 more than 2 percent of the funds allocated to any State
13 or institution under this chapter may be used for adminis-
14 trative costs.

15 **SEC. 235. PUBLIC DISCLOSURE.**

16 Institutions receiving funding under this chapter
17 shall make reasonably available to the community, par-
18 ents, and students a listing of the uses of such funds.

19 **SEC. 236. AUTHORIZATION OF APPROPRIATIONS.**

20 There are authorized to be appropriated to carry out
21 this subtitle \$2,000,000,000 for each of fiscal years 1998
22 through 2000.

23 **SEC. 237. DEFINITIONS.**

24 As used in this subtitle—

1 (1) unless otherwise provided, the terms used in
2 this part that are defined in section 1201 of the
3 Higher Education Act of 1965 have the meanings
4 provided in such section;

5 (2) the term “State” means the several States
6 and the District of Columbia; and

7 (3) the term “Director” means the Director of
8 Economic Opportunities in the Department of
9 Health and Human Services.

10 **Subtitle D—Miscellaneous** 11 **Provisions**

12 **SEC. 241. CONSTRUCTION.**

13 Notwithstanding the provisions of this Act, nothing
14 in this Act shall be construed to affect continued funding
15 for Galludet University, the American Printing House for
16 the Blind, or the National Institute for the Deaf at fiscal
17 year 1995 levels through fiscal year 2000.

18 **SEC. 242. REGULATIONS.**

19 For purposes of this title, the Secretary of Health
20 and Human Services shall consult with Congress before
21 issuing regulations regarding the grants provided under
22 chapter 1 of subtitle A and chapter 2 of subtitle C of this
23 title and shall only issue regulations that are necessary
24 for the timely distribution of funds to the States.

1 **SEC. 243. CONSOLIDATED APPLICATION.**

2 The Secretary of Health and Human Services shall
3 provide for a consolidated application for grants provided
4 under chapter 1 of subtitle A and chapter 2 of subtitle
5 C of this title. Consolidated applications also shall be per-
6 mitted at the local level.

7 **SEC. 244. APPROPRIATIONS.**

8 The amount that is authorized to be appropriated for
9 programs under chapter 2 of subtitle A, subtitle B, and
10 chapter 1 of subtitle C shall not exceed the amount appro-
11 priated for such programs for fiscal year 1995. Such pro-
12 grams shall be authorized through fiscal year 2000.

13 **SEC. 245. FEDERAL CIVIL RIGHTS.**

14 (a) IN GENERAL.—

15 (1) APPLICABILITY.—Nothing in this title shall
16 be construed to affect the applicability of civil rights
17 laws relating to any program established, trans-
18 ferred, or consolidated under this Act.

19 (2) DUTIES.—The Secretary of Health and
20 Human Services shall be responsible for carrying out
21 any other civil rights functions performed by the
22 Secretary of Education as such functions were per-
23 formed on the day before the date of the enactment
24 of this Act.

25 (b) HEALTH AND HUMAN SERVICES.—The Director
26 of the Office of Civil Rights of the Department of Health

1 and Human Services shall submit a report annually to the
2 Secretary of Health and Human Services, the President,
3 and the appropriate committees of Congress summarizing
4 the compliance and enforcement activities of the Office of
5 Civil Rights as such activities pertain to the Office of Eco-
6 nomic Opportunities. The report shall identify significant
7 civil rights or compliance problems for which the Office
8 of Civil Rights has made a recommendation for corrective
9 action and which, in the judgment of the Director of the
10 Office of Civil Rights, adequate progress is not being
11 made.

12 (c) DEPARTMENT OF JUSTICE.—The Assistant At-
13 torney General in charge of the Civil Rights Division of
14 the Department of Justice shall submit annually a report
15 to the Attorney General, the President, and the appro-
16 priate committees of Congress summarizing the activities
17 of the Civil Rights Division as such activities pertain to
18 the grantees of programs authorized by this Act.

19 **TITLE III—GENERAL** 20 **PROVISIONS**

21 **SEC. 301. REFERENCES.**

22 Any reference in any other Federal law, Executive
23 order, rule, regulation, or delegation of authority, or any
24 document of or pertaining to an office from which a func-
25 tion is transferred by this Act—

1 (1) to the Secretary of Education or an officer
2 of the Department of Education, is deemed to refer
3 to the head of the department or office to which
4 such function is transferred; or

5 (2) to the Department of Education is deemed
6 to refer to the department or office to which such
7 function is transferred.

8 **SEC. 302. EXERCISE OF AUTHORITIES.**

9 Except as otherwise provided by law, a Federal offi-
10 cial to whom a function is transferred by this Act may,
11 for purposes of performing the function, exercise all au-
12 thorities under any other provision of law that were avail-
13 able with respect to the performance of that function to
14 the official responsible for the performance of the function
15 immediately before the transfer of the function under this
16 Act.

17 **SEC. 303. SAVINGS PROVISIONS.**

18 (a) **LEGAL DOCUMENTS.**—All orders, determinations,
19 rules, regulations, permits, grants, loans, contracts, agree-
20 ments, certificates, licenses, and privileges—

21 (1) that have been issued, made, granted, or al-
22 lowed to become effective by the President, the Sec-
23 retary of Education, any officer or employee of any
24 office transferred by this Act, or any other Govern-
25 ment official, or by a court of competent jurisdic-

1 tion, in the performance of any function that is
2 transferred by this Act, and

3 (2) that are in effect on the date of such trans-
4 fer (or become effective after such date pursuant to
5 their terms as in effect on the date of such transfer),
6 shall continue in effect according to their terms until
7 modified, terminated, superseded, set aside, or revoked in
8 accordance with law by the President, any other author-
9 ized official, a court of competent jurisdiction, or operation
10 of law.

11 (b) PROCEEDINGS.—This Act shall not affect any
12 proceedings or any application for any benefits, service,
13 license, permit, certificate, or financial assistance pending
14 on the effective date of this title with respect to a function
15 transferred by this Act, but such proceedings and applica-
16 tions shall be continued. Orders shall be issued in such
17 proceedings, appeals shall be taken therefrom, and pay-
18 ments shall be made pursuant to such orders, as if this
19 Act had not been enacted, and orders issued in any such
20 proceeding shall continue in effect until modified, termi-
21 nated, superseded, or revoked by a duly authorized official,
22 by a court of competent jurisdiction, or by operation of
23 law. Nothing in this subsection shall be considered to pro-
24 hibit the discontinuance or modification of any such pro-
25 ceeding under the same terms and conditions and to the

1 same extent that such proceeding could have been discon-
2 tinued or modified if this Act had not been enacted.

3 (c) SUITS.—This Act shall not affect suits com-
4 menced before the effective date of this title and in all
5 such suits, proceeding shall be had, appeals taken, and
6 judgments rendered in the same manner and with the
7 same effect as if this Act had not been enacted.

8 (d) NONABATEMENT OF ACTIONS.—No suit, action,
9 or other proceeding commenced by or against the Depart-
10 ment of Education or the Secretary of Education, or by
11 or against any individual in the official capacity of such
12 individual as an officer or employee of an office trans-
13 ferred by this Act, shall abate by reason of the enactment
14 of this Act.

15 (e) CONTINUANCE OF SUITS.—If, before the effective
16 date of this title, any officer of the Department of Edu-
17 cation in the official capacity of such officer is party to
18 a suit with respect to a function of the officer, and under
19 this Act such function is transferred to any other officer
20 or office, then such suit shall be continued with the other
21 officer or the head of such other office, as applicable, sub-
22 stituted or added as a party.

23 **SEC. 304. TRANSFER OF ASSETS.**

24 Except as otherwise provided in this Act, so much
25 of the personnel, property, records, and unexpended bal-

1 ances of appropriations, allocations, and other funds em-
2 ployed, used, held, available, or to be made available in
3 connection with a function transferred to an official by
4 this Act shall be available to the official at such time or
5 times as the President directs for use in connection with
6 the functions transferred.

7 **SEC. 305. DELEGATION AND ASSIGNMENT.**

8 Except as otherwise expressly prohibited by law or
9 otherwise provided in this Act, an official to whom func-
10 tions are transferred under this Act (including the head
11 of any office to which functions are transferred under this
12 Act) may delegate any of the functions so transferred to
13 such officers and employees of the office of the official as
14 the official may designate, and may authorize successive
15 redelegations of such functions as may be necessary or ap-
16 propriate. No delegation of functions under this section
17 or under any other provision of this Act shall relieve the
18 official to whom a function is transferred under this Act
19 of responsibility for the administration of the function.

20 **SEC. 306. AUTHORITY OF OFFICE OF MANAGEMENT AND**
21 **BUDGET WITH RESPECT TO FUNCTIONS**
22 **TRANSFERRED.**

23 (a) DETERMINATIONS.—If necessary, the Director of
24 the Office of Management and Budget shall make any de-

1 termination of the functions that are transferred under
2 this Act.

3 (b) INCIDENTAL TRANSFERS.—The Director of the
4 Office of Management and Budget, at such time or times
5 as the Director shall provide, may make such determina-
6 tions as may be necessary with regard to the functions
7 transferred by this Act, and to make such additional inci-
8 dental dispositions of personnel, assets, liabilities, grants,
9 contracts, property, records, and unexpended balances of
10 appropriations, authorizations, allocations, and other
11 funds held, used, arising from, available to, or to be made
12 available in connection with such functions, as may be nec-
13 essary to carry out the provisions of this Act. The Director
14 of the Office of Management and Budget shall provide for
15 the termination of the affairs of all entities terminated by
16 this Act and for such further measures and dispositions
17 as may be necessary to effectuate the purposes of this Act.

18 **SEC. 307. PROPOSED CHANGES IN LAW.**

19 Not later than 90 days before the effective date speci-
20 fied in section 109, the Director of the Office of Manage-
21 ment and Budget shall submit to the Congress a descrip-
22 tion of any changes in Federal law necessary to reflect
23 abolishments, transfers, terminations, and disposals under
24 this Act.

1 **SEC. 308. DEFINITION OF TRANSFER.**

2 For purposes of this title, the vesting of a function
3 in a department or office pursuant to reestablishment of
4 an office shall be considered to be the transfer of the func-
5 tion.

6 **SEC. 309. DEFINITIONS.**

7 For purposes of this title, the following definitions
8 shall apply:

9 (1) DIRECTOR.—The term “Director” means
10 the Director for Economic Opportunities in the Ad-
11 ministration for Families and Children in the De-
12 partment of Health and Human Services, estab-
13 lished under section 102(a).

14 (2) FUNCTION.—The term “function” includes
15 any duty, obligation, power, authority, responsibility,
16 right, privilege, activity, or program.

17 (3) OFFICE.—The term “Office” means the Of-
18 fice of Economic Opportunities in the Department of
19 Health and Human Services, established under sec-
20 tion 102(a).

21 **TITLE IV—STATEMENTS OF**
22 **POLICY**

23 **SEC. 401. STATEMENT OF POLICY REGARDING FEDERAL**
24 **EDUCATION FUNDING.**

25 Congress finds that there should be a review and eval-
26 uation as to the feasibility of further enhancing the ability

1 of States and local communities to fund education by re-
 2 ducing the Federal tax burden and commensurately elimi-
 3 nating Federal Government involvement in providing
 4 grants for education programs.

5 **SEC. 402. STATEMENT OF POLICY REGARDING JOB TRAIN-**
 6 **ING PROGRAMS.**

7 The Congress finds that all job training programs
 8 under the jurisdiction of the Department of Education—
 9 (1) should be reviewed and transferred to the
 10 Department of Labor; and
 11 (2) should be consolidated into one or more
 12 block grants.

13 **SEC. 403. STATEMENT OF POLICY REGARDING INDIAN EDU-**
 14 **CATION.**

15 Congress finds that any program transferred as a re-
 16 sult of this Act to the Department of the Interior should
 17 be reviewed by Congress to ensure that such programs
 18 benefit Native American children that live on reservations.

○

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